

REPORT

DATE: April 5, 2007
TO: Regional Council
Community, Economic and Human Development (CEHD) Committee
FROM: Joseph Carreras, Program Manager II, Carreras@scag.ca.gov, Tel. 213-236-1856
SUBJECT: SB 12 Regional Housing Needs Assessment (RHNA) Pilot Program Status Report

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION FOR CEHD COMMITTEE:

Recommend the Regional Council approve the attached RHNA Pilot Program Status Report for submittal to the State Legislature

RECOMMENDED ACTION FOR REGIONAL COUNCIL:

Approve the attached RHNA Pilot Program Status Report for submittal to the State Legislature

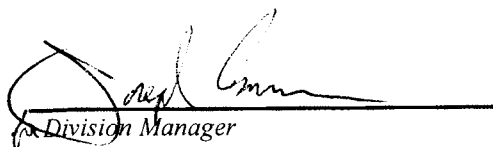
BACKGROUND:

SB 12 requires SCAG to submit a progress report to the State Legislature on the 4th cycle RHNA process by March 30, 2007. In accordance with the direction from the Regional Council staff is implementing the RHNA based upon the SB 12 RHNA Pilot Program even though it is not yet law. This status report was prepared based upon this previous direction, and is presented herein for the CEHD Committee and Regional Council's review and approval prior to submittal to the legislature.

FISCAL IMPACT:

There is no fiscal impact.

Reviewed by:


Division Manager

Reviewed by:


Department Director

Reviewed by:


Chief Financial Officer

Regional Housing Needs Assessment
SB 12 Pilot Program Status Report
By the Southern California Association of Governments
Report to the California Legislative
March 30, 2007

On February 1, 2007, SCAG has finalized the Draft Regional Housing Needs Assessment (RHNA), 2006 to 2014, and Existing Housing Needs Statement. The Draft RHNA acknowledged a total future construction need of 707,000 units and identified existing housing needs in all 187 cities and 6 counties in the region for the planning period,. The determination of regional housing need was consistent with SB 12 statutory objectives and the SCAG Integrated Growth Forecast for transportation planning. The future range of future housing need assigned by the State Department of Housing and Urban Development (HCD) as the region's share of statewide housing need (HCD letter dated 11-30-06). The State HCD range was 687,000 to 737,000 housing units for the 2006 to 2014 housing need was assigned by income group for each jurisdiction and was within the planning period. SCAG will maintain the regional total need throughout the RHNA process so that it is within the HCD range and is consistent with SCAG Integrated Growth forecast.

The RHNA methodology is consistent with the specified objectives in SB 12 that include, among other things, "a determination of the availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities." Each jurisdiction in the region has also received a share of future housing need including an allocation of housing units for low and very low income households that promotes socio-economic equity within each county and across the region. This was achieved through a fair share policy adopted by the SCAG Regional Council which assigns a 110% adjustment of each local government's very low, low, and moderate and above moderate

income group allocation to the countywide income distribution based on the latest census information. This was supplemented by an Existing Housing Needs statement providing each local government with information on households with housing problems such as cost burden and overcrowding by income group and data on special housing needs related to the preservation of assisted housing at risk of conversion to market rate, and information on farm worker housing needs.

Development of the Draft Regional Housing Allocation Plan

The existing and projected housing need for the region was based on the SCAG Integrated Growth Forecast and included the major forecast variables specified in SB 12. In accordance with statutory requirements, this information was transmitted to State HCD for their review and evaluation. Following a consultation with SCAG, State HCD issued a range of future construction need to use in the fourth revision of housing elements in the SCAG region. Key steps and dates in the local input and public review process leading up to the Draft RHNA included:

1. September 28, 2006: This was the date of the first RHNA public hearing;
2. September – October 2006: RHNA Subcommittee formed & completed policy recommendations for forecast/ RHNA. Community, Economic and Human Development committee approved all policy recommendations:
 - Consideration of AB 2158 planning factors in determining and distributing future housing need;
 - Provided Fair Share and Social Equity Policy recommendation to avoid over concentration of households by income group – 110% of the way adjustment toward the county median income distribution and a 3.5% ideal “healthy” market vacancy adjustment applied against future growth except in impacted communities providing a disproportionately high share of lower income housing;

3. October – January 2007: Completed 15 subregional workshops, one more than required under SB 12, including an interactive, long range housing supply and growth test scenario going out to 2035. This was followed by a RHNA exercise for the 2005-2014 period, which included completion of AB 2158 survey forms for use in determining housing need assignments and growth share between cities and unincorporated areas;
- AB 2158 planning factor forms were filled out by 91 cities and 4 counties during the 15 subregional workshops, while every jurisdiction received an advanced subregional workshop packet and maps prior to the scheduled session;
 - 160 sets of comments were filed on the long range test scenario for 2035 growth and housing supply.;
 - Formal and informal Draft RHNA comments were received and reviewed, including 20 comments after the first public hearing, 78 letters and emails received after subregional workshops and 35 comments submitted during the RHNA comment period at the end of each subregional workshop;
 - Follow-up meetings were held with 15 local subregions/jurisdictions following the subregional workshops.
4. January 11, 2007: This was the date for the second RHNA public hearing to receive comments regarding proposed allocation methodology, including use of AB 2158 planning factor forms in determining the Draft RHNA.

As a result of subregional collaboration during the Integrated Growth Allocation process, the Final Allocation Methodology and Draft Housing Need Allocation Plan reflect the following requests from regional partners:

- Incorporation of the OCP 06 projection prepared by CSU-Fullerton Center for Demographic Research (CDR) for Orange County and all its local jurisdictions, adopted by Orange County council of Governments (OCCOG) Board of Directors on November 30, 2006.
- Incorporation of the Riverside County projections prepared by Riverside County Transportation and Land Management Agency, adopted by Western Riverside Council of Governments (WRCOG) Executive Committee on December 4, 2006, and by Coachella Valley Association of Governments (CVAG) Technical Planning Subcommittee on December 19, 2006.
- Incorporation of the RHNA Plan for Ventura County, prepared jointly by county/city Planning Directors and City Managers, adopted by Ventura county Council of Governments (VCOG) Board of Directors on January 9, 2007.
- Incorporation of the collective input provided by San Bernardino Associated Governments (SANBAG) regarding the county totals.
- Accept the collective input provided and coordinated through Imperial Valley Associated Governments (IVAG).
- Evaluate and incorporate, where appropriate, input received individually from local jurisdictions in Los Angeles County.

In mid-January, SCAG forecasting staff and its consultant team reviewed the information/input received from the workshops and conducted an Integrated Growth Forecast hearing to discuss RHNA methodology, further facilitating public participation. Staff scheduled additional meetings with local jurisdictions to discuss their concerns. Before the release of the draft RHNA allocation, staff met individually with over 15 local jurisdictions and subregions to discuss any issues and concerns to the Integrated Growth Forecast. Additionally, staff followed up with each of the 30 cities that did not participate in the subregional workshops, making personal phone calls and mailing a

packet with all the information (e.g. presentations, data, maps, and relevant links) provided at the workshop.

The RHNA appeal and revision filing period began on February 15 and ended on March 16. SCAG received 24 appeals, 5 revision requests and 19 combined appeal and revision requests. The Ventura County Council of Governments accepted delegation and will be administering the appeals process in their County. The cities of Los Angeles and San Fernando are considering delegation.

All appealing jurisdictions were sent a notification of their public appeal hearing. SCAG staff will provide recommendations to the Appeal Board. All appeal hearings will be held between April 25th and 30th. On May 10, 2007, the Appeals Board will make final determinations on all revision requests, appeals and alternative distribution requests. Using the Appeal Board's findings, SCAG will then begin preparing final the final RHNA allocation. This planning, public outreach and deliberative process follows the steps and requirements called for in SB 12. The Final Draft RHNA shall be consistent with the Integrated Growth Forecast used for SCAG transportation planning and the regional total for construction need, by income category, shall be maintained within the State HCD approved range.

Distribution and Delegation of the Draft RHNA

A disc containing Draft RHNA allocation plan was mailed to every City Manager and County Administrative Officer in the SCAG Region. Letters were also sent in response to 68 local governments related to their comments on the proposed RHNA Methodology, the application of the AB 2158 planning factors and other planning considerations. The Regional Housing Needs Assessment web pages have also been overhauled to make them easier to navigate, while also highlighting important topics for local governments.
<http://www.scag.ca.gov/Housing/rhna/index.htm>.

The Ventura County Council of Governments (VCOG) accepted delegation and will be administering the appeals process. The cities of Los Angeles and San Fernando are

considering delegation. The RHNA appeal and revision process will start on February 15th and will run through March 16, 2007. Afterwards, public hearings will be set and the RHNA Appeals Board will make determinations on Draft Allocation Plan adjustments.

Next Steps

The SCAG Regional Council will issue a proposed final allocation plan based on the appeals, revisions and input received at its June 7, 2007 meeting. On July 5th, SCAG will hold a public hearing to adopt the final housing need allocation plan. The following day, July 6, 2007, SCAG plans to submit its final housing need allocation plan to the California Department of Housing and Community Development (HCD). This will mark the end of the planning process and adoption schedule required in SB 12 legislation and existing housing law.

RHNA Housing Need Allocation Plan Timeline: February 2007 – June 2008

Date	Plan
February 1	CEHD and RC approves final integrated forecast with 4 variables and final RHNA methodology and adopts draft RHNA allocation plan.
February 15	Start of the 30-day period for local jurisdiction to request revision and/or to file appeal.
March 16	Last day for jurisdictions to request revision based on AB 2158 factors and/or file appeal based on AB 2158 factors, methodology, or changed circumstances.
March 26	Deadline for SCAG to notify jurisdictions of a public hearing for their appeal (within 10 days of end of filing period).

Date	Plan
March 30	Submit status report to state pursuant to Pilot Program.
April 25 - 30	Public hearings before RHNA Appeals Board held for appealing jurisdictions, and possibly for jurisdictions requesting revision. The hearings will be held between the 30th and 35th days from the date of SCAG's notification.
May 10	End of the appeals process with decisions by Appeals Board rendered on all revision requests and appeals; staff to begin preparing final RHNA allocation. Alternative distribution and transfers may occur until SCAG adopts a final housing need allocation plan.
June 5	SCAG notifies jurisdictions 30 days in advance of the public hearing for the final adoption of the final RHNA allocation.
June 7	SCAG issues a proposed final allocation plan based on appeals and input received. This must occur within 45 days of the end of the appeals filing and hearing process, so the last day technically is June 18.
July 5	SCAG holds a public hearing to adopt the final housing need allocation plan. This must occur within 45 days of issuance of the proposed final allocation plan.
July 6	SCAG submits its final housing need allocation plan to HCD.
September 4	Deadline for final adoption of the Housing Allocation Plan by HCD.

Date	Plan
June 30, 2008 (statutory)	Due date for jurisdictions in the SCAG Region to submit revised Housing Elements to HCD.

county of ventura

RESOURCE MANAGEMENT AGENCY
CHRISTOPHER STEPHENS
Agency Director

March 16, 2007

Building and Safety Division
Jack Phillips, Building Official

Environmental Health Division
Robert Gallagher, Director

Operations Division
Elaine Crandall, Director

Planning Division
Kim Rodriguez, Director

Mr. Hassan Ikhata
SCAG Director of Planning & Policy
818 West Seventh Street, 12th Floor
Los Angeles, CA 90017

SUBJECT: RHNA PROGRESS REPORT

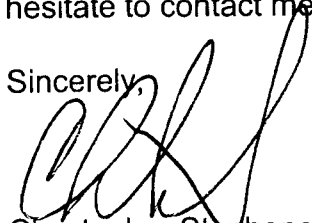
Dear Mr. Ikhata:

This letter is to serve as the Progress Report required under Article VIII of the Delegation Agreement between SCAG and the Ventura Council of Governments. As VCOG staff (either directly through Wally Bobkiewicz or indirectly through staff from the Ventura County Planning Division) has kept in contact with SCAG staff throughout this process, I believe this progress report can be rather brief.

Specifically, over the previous six months, VCOG has worked with its ten member cities and the County of Ventura to develop and adopt its Subregional allocation of housing units for the next RHNA period. The local agency planning directors and then city managers developed and reviewed a number of alternatives. These were presented to the VCOG Board at its January 9th meeting. At that meeting, the VCOG Board adopted a subregional allocation consistent with the Subregional allocation provided by SCAG. Since that time some additional work has been done to clarify and address any concerns or questions raised at the local level. All issues have been satisfactorily addressed and we do not expect any substantive issues to arise in the future.

I hope this provides the summary information you require under the Delegation Agreement. If you have any questions or require additional information, please do not hesitate to contact me at 805-654-2661 or via e-mail at Chris.Stephens@Ventura.org.

Sincerely,



Christopher Stephens, Director

c: Wally Bobkiewicz, VCOG